BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 93-750-C - ORDER NO. $94-23\sqrt{}$ JANUARY 6. 1994

IN RE: Request of Pond Branch Telephone Company) ORDER ON for Approval of its Optional Extended Area) MOTION FOR Calling Plan.) DECLARATORY) ORDER

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Motion for Declaratory Order filed on behalf of the Consumer Advocate for the State of South Carolina (the Consumer Advocate). In its Motion, the Consumer Advocate requests that the Commission require Pond Branch Telephone Company (Pond Branch) to file testimony justifying its rate of return on rate base.

In Order No. 93-870, dated September 20, 1993, in Docket No. 93-401-C, the Commission granted to Pond Branch a rate of return on rate base of 13.00%. In Order No. 93-870, the Commission also held that:

[N]othing in the instant proceeding shall prohibit any party from raising the rate of return issue in the proceeding to expand the Company's local calling area. Furthermore, the 13% rate of return on rate base granted in this proceeding shall not bind any party or the Commission in the expanded calling area proceeding, and the rate of return on rate base may be changed in the expanded calling area proceeding without the need to show a change in circumstances. In other words, the result reached in this proceeding shall not act as a bar by res judicata or collateral estoppel to a review of the rate of return issue in the Company's filing to expand its local calling area.

Therefore, the Commission affirms its previous Order and instructs Pond Branch and the other parties in the instant proceeding to proceed in the instant proceeding according to Commission Order No. 93-870.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)